



# Treasury Financial Manual

Transmittal Letter No. 631

Volume I

To: Heads of Government Departments, Agencies, and Others Concerned

## 1. Purpose

This transmittal letter releases revised I TFM 2-4200: Agency Reporting on Unexpended Balances of Appropriations and Funds (Federal Agencies' Centralized Trial-Balance System II, FMS 2108: Year-End Closing Statement). This chapter prescribes procedures for submitting yearend closing data to the Financial Management Service through the Federal Agencies' Centralized Trial-Balance System II. It applies to all departments and agencies of the executive branch and legislative and judicial agencies of the U.S. Government, including corporations subject to the Government Corporation Control Act (31 U.S.C. 9101-9109), as amended.

## 2. Page Changes

### Remove

I TFM 2-4200 (T/L 557)

Table of Contents for Part 2 (T/L 623)

### Insert

I TFM 2-4200

Table of Contents for Part 2

## 3. Effective Date

This transmittal letter is effective immediately.

## 4. Inquiries

Direct questions concerning this transmittal letter to:

Budget Reports Division  
Financial and Budget Reports Directorate  
Governmentwide Accounting  
Financial Management Service  
Department of the Treasury  
Prince George's Metro Center II, Room 8D22  
3700 East-West Highway  
Hyattsville, MD 20782  
Telephone: 202-874-9890

Date: July 11, 2006

Kenneth R. Papaj  
Commissioner

## Part 2—Chapter 4200

# AGENCY REPORTING ON UNEXPENDED BALANCES OF APPROPRIATIONS AND FUNDS (FEDERAL AGENCIES' CENTRALIZED TRIAL-BALANCE SYSTEM II, FMS 2108: YEAR-END CLOSING STATEMENT)

This chapter prescribes procedures for submitting yearend closing data to the Financial Management Service (FMS) through the Federal Agencies' Centralized Trial-Balance System II (FACTS II). It applies to all departments and agencies of the executive branch and legislative and judicial agencies of the U.S. Government, including corporations subject to the Government Corporation Control Act (31 U.S.C. 9101-9109), as amended. FACTS II users may find actual data entry procedures on the FACTS II Web site at [www.fms.treas.gov/factsii](http://www.fms.treas.gov/factsii).

### Section 4210—Scope and Applicability

Agencies must report yearend accounting data electronically through FACTS II using budgetary and certain proprietary U.S. Government Standard General Ledger (USSGL) accounts.

Subsequently, FMS compiles FACTS II data and reports it to the public in the *Combined Statement of Receipts, Outlays, and Balances of the United States Government*. The Office of Management and Budget (OMB) uses FACTS II data to compile agency budget execution reports and in preparation of the President's Budget.

FACTS II formats the submitted data to output the following reports:

- FMS 2108: Year-End Closing Statement. See Appendix 1 for sample FACTS II generated FMS 2108s.
- SF 133: Report on Budget Execution.

Refer to the USSGL TFM, Section V, for the USSGL account crosswalks

for the FMS 2108 and SF 133 on the USSGL Web site at <http://www.fms.treas.gov/ussgl>.

### Section 4215—Authority

The provisions of 31 U.S.C. 3513 require:

- The Secretary of the Treasury (the Secretary) to prepare reports on the financial operations of the U.S. Government;

AND

- Each executive agency to furnish the Secretary all reports and information on the agency's financial condition and operations, as required.

### Section 4220—Definition of Terms

**Accounts Payable**—Amounts owed on the basis of invoices or evidence of receipt of goods and services, and payables for amounts owed for other than goods and services from suppliers. Included in this category are the following: accrued salaries, rents,

interest payable on borrowings, refunds payable, disbursements in transit, funded accrued annual leave, and unbilled costs of contractors under the constructive delivery concept (provided the amounts are used as part of the agency's accounting system).

**Borrowing Authority**—A type of budget authority that permits an agency to incur obligations and make payments for specified purposes from the proceeds of borrowed funds. It may be definite or indefinite in nature (see the definitions for definite and indefinite budget authority). Borrowing authority may be one of the following types:

- **Authority to borrow from the public**—Authority to sell agency debt securities to the public or to other Federal agencies. Usually, the law authorizes borrowing from the Treasury, but in a few cases it authorizes borrowing directly from the public. Laws usually authorize borrowing for business-like operations, such as the Tennessee Valley Authority, which generates and sells

electrical power. Such laws require the program to repay the borrowing, with interest, out of business proceeds.

- **Authority to borrow from Treasury**—Authority to borrow funds derived from the sale of Treasury securities.

See subsection 4225.30 for FMS 2108 required criteria for indefinite and definite borrowing authority.

**Cashier Fund**—Imprest funds. Cash held at personal risk kept on hand by authority of the Secretary, and not deposited into Treasury's General Account, to make change and miscellaneous cash payments, and for other authorized purposes.

**Cash Held Outside of the Treasury**—Funds under the custodial responsibility of Federal Government agencies and/or their employees, officers, or agents that are deposited in non-Treasury general accounts. (Refer to TFM Volume I, Part 2, Chapter 3400.)

**Closed Account**—An account for which obligated and unobligated balances have been withdrawn and canceled.

**Contract Authority**—Permits an agency to incur obligations in advance of an appropriation, offsetting collections, or receipts to make outlays to liquidate the obligations. Typically, Congress provides contract authority in an authorizing statute to allow agencies to incur obligations in anticipation of the collection of receipts or offsetting collections that will be used to liquidate the obligations. See subsection 4225.25a.

**Expired Account**—An account for which authority to incur new obligations has expired.

**Fund Equities**—The value of the unobligated balance and unpaid obligations (undelivered orders and contracts, accounts payable, and other liabilities).

**Fund Resources**—The collective value of the undisbursed balance (by year account), investments held (at par), unfunded contract authority, borrowing authority, funds held outside the Treasury, unrealized discount,

unamortized premium and discount, and accounts receivable (reimbursements earned, refunds *only when collected*, and unfilled customer orders). Refer to the Office of Management and Budget (OMB) Circular No. A-11, Section 20-4, for more detail about budget authority.

**Imprest Fund**—A fixed-cash or petty-cash fund in the form of currency, coin, or Government check, that has been advanced as funds held outside of Treasury and charged to a specific appropriation account by a Government agency official to an authorized cashier for cash payments, or other cash requirements as specifically authorized.

**Investments Held in Federal Securities**—Investments in securities issued by Treasury or other agencies of the Federal Government.

**Investments Held in Non-Federal Securities**—Investments in securities other than those issued by Treasury or other agencies of the Federal Government.

**Negative Balance Account**—An account for which disbursements exceed the available cash balance. Except in unusual circumstances, a negative balance indicates an Anti-Deficiency Act violation.

**Obligated Balance**—The cumulative amount of budget authority that has been obligated but not yet outlaid. It also is known as unpaid obligations, which are made up of accounts payable and undelivered orders, for the purpose of the FMS 2108.

**Open Account**—An account for which the availability to incur new obligations has not expired (such as an "X" account) or for which the availability to incur new obligations has expired but 5 years have not passed since its availability period ended.

**Preclosing Unexpended Balances**—Balances provided by FMS's Budget Reports Division (BRD) showing transactions submitted by the administrative agencies and including balances of unfunded contract authority, borrowing authority, investments held (at par), unrealized discount, and funds

held outside the Treasury as separate line items under the account.

**Reimbursements Earned**—See subsection 4225.35b.

**Unamortized Premium and Discount**—The amount of the premium or discount (present value) of the securities minus amounts realized; the difference between the face value and the purchase amount.

**Undelivered Unpaid Orders**—The value of goods and services ordered and obligated but not received.

**Unfilled Customer Orders**—The amount of orders accepted for goods and services not yet provided or performed with or without an advance.

**Unobligated Balance**—The portion of budget authority that has not yet been obligated. The unobligated balance for unexpired accounts is still available for new obligations. The unobligated balance for expired accounts is not available for new obligations. However, valid obligations may be adjusted (such as, adding unrecorded obligations), and payments may be made from expired accounts.

---

## Section 4225—Explanation of Items Presented on the FACTS II Generated FMS 2108 and Reporting Requirements

### 4225.10—Appropriation or Fund Symbol (FMS 2108, Column 1)

FMS provides the account symbol in column 1. Only open account symbols appear on the FMS 2108. The following fund groups are included:

- General fund;
- Special fund;
- Consolidated working funds;
- Management funds;
- Revolving funds;
- Intragovernmental funds;
- Trust funds.

Also, the following Other Authorization accounts are included:

Record Type	Type of Account
<b><i>Investments Purchased at a Discount</i></b>	
911	Unrealized discount
931	Unamortized premium and discount
<b><i>Funds Held Outside the Treasury</i></b>	
921	Cashier Funds – Funds Held Outside the Treasury
<b><i>Contract Authority</i></b>	
941	Unfunded Contract Authority
<b><i>Authority To Borrow From</i></b>	
951	The Treasury
962	The Public
<b><i>Investments</i></b>	
971	Treasury Securities
972	Agency Securities
973	Non-Federal Securities (market value)

**Note:** Treasury refers to the Other Authorization accounts as “record type 7” accounts.

#### **4225.15—Unexpended Balances (FMS 2108, Columns 2, 4, and 5)**

**Note:** FMS 2108, Column 3, relates to unfunded contract authority and borrowing authority and, therefore, is not applicable for unexpended balances, investments, and imprest funds.

#### **4225.15a—Preclosing Unexpended Balance (FMS 2108, Column 2)**

FMS provides balances in column 2 (see the definition of preclosing unexpended balances in Section 4220). When an appropriation act uses the words “not to exceed” (or equivalent) with a specified amount, the amount of obligational authority is the lesser of:

- The sum specified in the appropriation act;

OR

- The amount of receipts actually becoming available for the purpose.

FMS includes any yearend balance of obligational authority for open accounts in the preclosing unexpended balances presented in column 2. Agencies must clear negative balances in this column before an account can be closed.

#### **4225.15b—Unobligated and Obligated Balance Withdrawn/ Canceled (FMS 2108, Column 4)**

Unobligated and obligated balances of accounts subject to withdrawal and cancellation pursuant to 31 U.S.C. 1552(a) are shown in column 4. Amounts entered in column 4 are canceled. Agencies *should not* withdraw money from the following series of accounts:

- Revolving Fund Accounts (4000 series);
- Trust Fund Accounts (8000 series);
- Consolidated Working Fund Accounts (3900 series);

AND

- No-year (X) accounts.

FMS must issue a warrant to allow an agency to withdraw or cancel funds for “X” accounts. The amount canceled should result in a zero balance after processing. Submit a written request for a warrant to the Budget Control Team (see the Contacts page). The request should contain the following:

- The legislative authority for the request;
- The amount to be withdrawn/ canceled;

AND

- Verification that no disbursement has been made against the account for 2 consecutive years.

After FMS issues a warrant, the fourth-quarter FACTS II submission must reflect the withdrawal or cancellation of funds for “X” accounts.

More information about cancellations is available in the USSGL Guide to Cancellations (see Appendix 2). The guide also is available on the USSGL Web site at <http://www.fms.treas.gov/ussgl>.

To completely close definite or indefinite no-year (X) accounts, refer to Section 4245.

#### **4225.15c—Adjustments to Indefinite Accounts (FMS 2108, Column 4)**

Agencies report increases and decreases for indefinite authority on the FMS 2108 in column 4. In most cases, this does not apply to credit reform program accounts for subsidy reestimates and liquidating accounts. Agencies cannot report any increases or decreases to definite authority on the FACTS II submission. If the agency is unsure whether the account had definite or indefinite authority, it should call the Budget Control Team (see the Contacts page).

FACTS II requires the reporting of the public law for increases and decreases to indefinite authority.

#### **4225.15d—Postclosing Unexpended Balance (FMS 2108, Column 5)**

The amount presented in column 5 for each appropriation or fund account is the net of amounts reported in columns 2 and 4 for that account.

#### **4225.20—Other Authorizations – Investments, Cash Held Outside of Treasury, Imprest Funds (FMS 2108, Columns 2 and 6)**

##### **4225.20a—FMS 2108, Column 2**

FMS provides the balances in column 2, and they cannot be changed. These amounts represent the balances of investments held (at par), unrealized

discount, unamortized premium and discount, imprest funds, and cash held outside of Treasury at the end of the fiscal year and must be equal to the balances shown in column 6.

#### **4225.20b—FMS 2108, Column 6**

Column 6 represents investments held (at par), unrealized discount, unamortized premium and discount, imprest funds, and cash held outside of Treasury.

For columns 7 through 11, see subsection 4225.35.

#### **4225.25—Other Authorizations – Unfunded Contract Authority**

Agencies may have statutory authority allowing them to enter into contracts or to incur other obligations *in advance of (prior to)* an appropriation (or the realization of revenues) for the payment of obligations. This authority may be current or permanent, with or without fiscal year limitation, and definite or indefinite in amount. Ordinarily, contract authority is used when more than a year is expected to elapse between the time the obligation was placed and the time expenditures would begin in payment of the obligation. An agency may not make expenditures to liquidate obligations incurred by (its) contract authority until funds are specifically appropriated or otherwise become available for payment of the obligations. Refer to OMB Circular No. A-11, Sections 20-3 and 20-4 for more detail.

An agency reports contract authority based on applicable legislation and on the agency's determination of writeoffs or other adjustments made during the fiscal year. This authority may be current or permanent, definite or indefinite.

The agencies should enter the following activity for:

- Writeoffs: Amounts written off that were either rescinded by law or administratively canceled by the agency. Accounts with indefinite authority writeoff their

unobligated balance, as referred to in column 2.

- Adjustments: An example of an adjustment is the liquidation of contract authority by use of revolving fund receipts.

#### **4225.25a—Definite and Indefinite Unfunded Contract Authority (FMS 2108, Columns 2, 3, 4, 5, and 6)**

The following criteria are required on the FMS 2108 for definite and indefinite contract authority (see Appendix 1). With the exception of column 3, column headings on the FMS 2108 are not applicable for contract authority.

- Column 2: FMS provides these balances, and they cannot be changed. These amounts represent the balance (unused portion) of contract authority at the beginning of the fiscal year.
- Column 3:
  - Definite contract authority represents the amount of new authority prescribed by law and effective during the reporting fiscal year.
  - Indefinite contract authority represents the amount of new obligations incurred in the reporting fiscal year covered by contract authority.

The law that established the new authority is a required attribute in FACTS II.

- Column 4 represents the amount of appropriations to liquidate contract authority prescribed by law and effective during the reporting fiscal year. The public law to liquidate authority is a required attribute in FACTS II.
- Column 5: Contract authority represents writeoffs or adjustments.
  - For definite contract authority, report amounts written off that were rescinded by law or

administratively canceled by the agency. If the law rescinds the authorization, the statutory citation is a required attribute in FACTS II.

- For indefinite contract authority, report amounts written off or administratively canceled by the agency. Other adjustments to report include liquidation of contract authority by use of revolving fund receipts and writeoff/reduction of obligated balances from column 2. Provide an explanation of the adjustment in the footnote.

- Column 6 represents the balance of unfunded contract authority at the fiscal yearend. These amounts represent the balance of authority outstanding for which appropriations have not been made.
- Columns 7 through 11, see subsection 4225.35.

#### **4225.30—Other Authorizations – Definite and Indefinite Borrowing Authority (FMS 2108, Columns 2, 3, 4, 5, and 6)**

The following criteria are required on the FMS 2108 for the definite and indefinite borrowing authority accounts (see Appendix 1). With the exception of column 3, the column headings on the FMS 2108 are not applicable for borrowing authority.

- Column 2: FMS provides these balances, and they cannot be changed.
  - For definite borrowing authority, these amounts represent the balance of unused borrowing authority provided by law at the beginning of the fiscal year.
  - For indefinite borrowing authority, these amounts are equal to the unpaid obligations covered by borrowing authority at the beginning of the fiscal year.

- Column 3:
  - Definite borrowing authority represents the amounts provided in new legislation that increased or rescinded the borrowing authority previously set by law. The amounts equal either new budget authority or a reduction in budget authority.
  - Indefinite borrowing authority represents the amount of additional borrowing authority equal to obligations recorded during the fiscal year against borrowing authority. Agencies should report this as a gross amount, not adjusted by amounts in column 5. The amounts represent an increase to an agency's borrowing authority.
- Column 4:
  - Definite borrowing authority represents the amounts of any borrowings made during the fiscal year that will reduce the legislative limit.
  - Indefinite borrowing authority represents the amount of actual borrowings (gross) the agency made during the fiscal year to liquidate those obligations reported in columns 2 and 3. These borrowings decrease an agency's borrowing authority.
- Column 5, *for indefinite borrowing authority only*, represents reductions of borrowing authority when fund resources other than borrowings were used or are available to liquidate or cover unpaid obligations reported in columns 2 or 3.
- Column 6:
  - For definite borrowing authority, represents the unused borrowing authority provided by law at the close of the fiscal year. Column 2 plus (+) or minus (-) column 3 minus (-) column 4 should cross-foot to the summary total in column 6.
  - For indefinite borrowing authority, represents the balance of borrowing authority, which is the amount equal to those unpaid obligations covered by borrowing authority at the close of the fiscal year. Column 2 plus (+) column 3 minus (-) column 4 minus (-) column 5 should cross-foot to the summary total in column 6.
- Columns 7 through 11, see subsection 4225.35.

#### **4225.35—FMS 2108, Columns 7 through 11**

Columns 7 through 11 represent the following:

- Reimbursements earned;
  - Unfilled customer orders;
  - Undelivered orders and contracts;
  - Accounts payable;
- AND
- Unobligated balance.

A combined total for the amounts in these columns is displayed on the main account line and includes the total for the main account plus the other authorization accounts (see Appendix 1 for sample FMS 2108s).

#### **4225.35a—Receivables (FMS 2108, Columns 7 and 8)**

Columns 7 and 8 include current accounts receivable and unfilled customer orders that have not been accompanied by an advance. Exclude any receivable from the public, except when a provision of law specifies that such orders may be used as budget authority. Reimbursements earned and unfilled customer orders (for definitions, see Section 4220) are entered in columns 7 and 8, respectively. Agencies should explain in a footnote why the balance has negative amounts reported in these columns.

#### **4225.35b—Reimbursements Earned But Not Collected (FMS 2108, Column 7)**

Reimbursements earned (column 7) include current accounts and notes receivables (not included in loans receivables) arising from the sale of goods and services during the period (whether or not billed) resulting from transactions with other Government agencies that recorded valid obligations. Examples include interest earned, accrued rent, and certain anticipated collections under special authority of law. Deferred charges and long-term receivables, such as loans receivables, receivables from credit sales, and receivables from the public, are not considered reimbursements earned.

Except under special authority, agencies must receive payment before performing reimbursable services for the public. Therefore, receivables from the public are never considered as a source of financing for reimbursable disbursements, since the public must pay for reimbursable work "up front."

When an agency receives payment from the public or Federal agencies before performing services, it reports the transaction on the FMS 2108 in the preclosing unexpended balance via monthly transaction reporting. Also, when an agency receives payment from another Government account to finance a reimbursable agreement, it reports the transaction (the payment received) in the preclosing unexpended balance via monthly transaction reporting. *Do not* report a receipt balance; otherwise, fund resources will be overstated.

Refunds include all amounts receivable from prior overpayment amounts due from travel advances and other advances that did not liquidate specific obligations. Refunds also include all or portions of advances made to revolving or management funds to the extent specified by statutory requirements. However, advances to consolidated working funds are excluded. Agencies *should not* report refunds, as with other receivables, on the

FMS 2108 unless the refunds are from another Government agency.

If the balance for column 7 is negative, agencies must footnote the negative amount in FACTS II.

#### **4225.35c—Unfilled Customer Orders (FMS 2108, Column 8)**

An unfilled customer order (column 8) exists with other Government accounts when an agency has not received an advance, since a valid obligation exists with the ordering account. If an agency accepts an order without an advance, which can only be the case with other Government accounts, the agency does report the transaction as “accounts receivable – unfilled customer order” on the FMS 2108. However, the agency must not disburse fund balances into a negative position on the basis of this receivable.

Unfilled customer orders do not exist for orders placed by the public, since agencies must receive advances with the orders for goods or services from the public. If an agency does receive an advance with the order for goods or services (as with the public), it reports the transaction through FACTS II in the preclosing unexpended balance via monthly transaction reporting. Do not report an “accounts receivable – unfilled customer order”; otherwise, fund resources will be overstated.

If the balance for column 8 is negative, agencies must footnote the negative amount in FACTS II.

#### **4225.35d—Undelivered Orders and Contracts (FMS 2108, Column 9)**

Unpaid obligations must represent valid obligations supported by documentary evidence to conform with Section 1311 of Public Law 83-663 (68 Stat. 830). Column 9 represents the amount of orders for goods and services remaining unfilled at fiscal yearend for which the liability has not yet accrued (for definitions, see Section 4220).

When the ordering or customer agency has not received, by September

30<sup>th</sup>, goods or services for which it has placed an order, the agency must report future payment of funds as a valid obligation on the FMS 2108.

If the balance for column 9 is negative, agencies must footnote the negative amount in FACTS II.

#### **4225.35e—Accounts Payable and Other Liabilities (FMS 2108, Column 10)**

Column 10 represents the liabilities for goods and services received and other liabilities incurred, not involving the furnishing of goods and services, as of the end of the fiscal year (for definitions, see Section 4220). Exclude advances received with orders for goods and services.

If the balance for column 10 is negative, agencies must footnote the negative amount in FACTS II.

#### **4225.35f—Unobligated Balance (FMS 2108, Column 11)**

Amounts presented in column 11 normally are unobligated balances. Unobligated balances of no-year and multiyear accounts for which authority to obligate has not expired are available for obligation. Unobligated funds of an expired fiscal year account are not available for new obligations but may be used for payments of adjusted obligations. Agencies must footnote negative amounts. Include in the footnote the cause and intended resolution. The total amount of receivables shown for the ensuing fiscal year appropriation account in columns 7 and 8 is included here as available to be carried forward into that account.

If the balance for column 11 is negative, agencies must footnote the negative amount in FACTS II.

#### **4225.40—Footnotes**

FACTS II prompts agencies to enter footnotes (see Appendix 1, page 5) when required. Agencies post footnotes on the FMS 2108.

---

### **Section 4230—Reporting Requirements for Extended Authority To Liquidate Obligations**

Extended authority to liquidate obligations may be granted through specific legislation that allows the obligated balance for an annual year or multiyear account to remain on the books and be available for disbursement purposes only for a specified number of years. Agencies must notify the Budget Control Team (see the Contacts page) in writing of the specific legislation for the account to remain on Treasury’s books. Agencies must certify the obligated balances and required attributes and must footnote the FMS 2108, citing the appropriate law and date of approval. They must submit the request by the first business day of the fiscal year and must cancel any unobligated portion of the account balance.

---

### **Section 4235—Cashier Fund Balances, Negative Balance Accounts, and Unamortized Premiums and Discounts**

#### **4235.10—Cashier Fund Balances**

Agencies cannot withdraw/cancel cashier fund balances or transfer them to another fiscal year account through FACTS II reporting. They may record withdrawals and cancellations only on the main account symbol. Agencies must close out cashier fund balances from one fiscal year account and must reestablish these balances in a new fiscal year account as a monthly transaction.

#### **4235.20—Negative Balance Account**

FMS conducts an analysis of the FACTS II generated FMS 2108 annually to ascertain the status of appropriation and fund balances. Agencies with negative balance accounts must provide information identifying the expected financing of the overdisbursement or whether an Anti-Deficiency Act violation exists.

An overdisbursement of a fund (cash) balance may be funded by special financing authority or the receipt of outstanding receivables. The agency also must cite the portion of the U.S. Code that allows it to disburse against receivables from the public or must disclose that the negative balance is related to erroneous charges from other Federal parties and must cite the information from the system used, for example, the Intra-Governmental Payment and Collection (IPAC) System.

### **4235.30—Unamortized Premiums and Discounts**

Unamortized premium and discount reporting is limited to agencies that issue securities under special financing authority or that are required by OMB to report amortization as a budgetary resource. The premium or discount is amortized over the life of the securities and the amortization is reported on the agency's monthly statement of transactions.

---

### **Section 4240—Investments in Treasury Securities or Agency Securities and Unrealized Discount**

For further information on investments in Treasury securities or agency securities and unrealized discount reported on the FMS 2108, see TFM Volume I, Part 2, Chapter 4300.

See Appendix 1 for an example of the FACTS II generated FMS 2108 for investments/unrealized discounts.

---

### **Section 4245—Closed Accounts**

Pursuant to 31 U.S.C. 1555, agencies must close accounts with fiscal year designations as of September 30th of the fifth fiscal year after the availability period to incur new obligations ends.

Agencies close annual year accounts via an FMS 2108.

Agencies close no-year (X) accounts under the following conditions:

- The head of the agency or the President determines the purposes for which the appropriation was made have been carried out;

AND

- No disbursement has been made against the appropriation for 2 consecutive years.

Canceled appropriation account balances are not available for obligation or expenditure for any purpose. However, Treasury accepts a supplemental statement of transactions to adjust closed account balances in cases where payments for valid obligations were made before account closings, but the payments were incorrectly classified to a current account or reported to a suspense or clearing account. Agencies must submit adjustment reporting within 6 months after the end of the subject fiscal year to receive consideration. They may charge all other unliquidated obligations for a closed account to a current appropriation established for the same general purpose. Refer to OMB Circular No. A-11, Section 130-14. Cumulative payment(s) from current funds to liquidate canceled obligations may not exceed 1 percent of the current appropriation or cause cumulative outlays to exceed the unexpended balance of the original appropriation.

Agencies must deposit collections received after an account has been closed in miscellaneous receipt account 3200. See the *Federal Account Symbols and Titles (FAST) Book*, a supplement to the TFM, at <http://www.fms.treas.gov/fastbook>.

On the fourth-quarter FACTS II submission, before an account will be closed, agencies must present all unobligated and obligated balances, including receivables and payables, as canceled. For further accounting guidance, refer to the USSGL TFM, Section III, Account Transactions, Part F, Yearend Pre-Closing and Closing Entries on the USSGL Web site at <http://www.fms.treas.gov/ussgl>.

---

## **Section 4250—Reporting Requirements**

### **4250.10—Reporting Responsibilities**

FMS 2108 is available in FACTS II. It shows the preclosing unexpended balances of appropriation and fund accounts and balances of unfunded contract authority, borrowing authority, investments held (at par), unrealized discount, unamortized premium and discount, and funds held outside Treasury. Transactions to support the unexpended balance are provided to agencies through the monthly Governmentwide Accounting (GWA) Account Statement Application at <http://www.gwa.gov>. The annual Yearend Closing bulletin includes a schedule of reporting due dates.

Agencies must transmit electronically, through FACTS II, preclosing Adjusted Trial-Balances (ATBs) at the Treasury appropriation/fund symbol level using budgetary and certain proprietary USSGL accounts (see the USSGL Web site at [www.fms.treas.gov/ussgl](http://www.fms.treas.gov/ussgl)). They should not round balances but should report the balances in complete amounts, including cents. Either the parent or the receiving entity, but not both, may report transfer appropriation accounts under the control of a receiving entity through FACTS II. Agencies determine whether the parent or receiving entity report. If the parent agency certifies the transfer appropriation accounts, then the spending agency must report the status of transfer appropriation accounts to the parent agency in time to be included in the parent agency's FACTS II submission. Transfer appropriation account funds should be returned to the parent/advancing account for disposition before yearend for accounts that must close.



### 4250.20—Agreement of Figures

Both the TFM and OMB Circular No. A-11 require data agreement.

FACTS II replaces the need to submit separate reports to Treasury and OMB, since the output of FACTS II results in the ability to print both the FMS 2108 and the SF 133 reports from one set of budgetary data. While eliminating duplicate reporting, FACTS II also improves the consistency of data reported Governmentwide.

Agencies should review carefully their procedures for identifying and classifying available special and trust fund receipts to prevent these receipts from being classified as appropriation reimbursements. They also must ensure that the budget schedules and Treasury reports are in agreement with these items.

### 4250.30—Verification and Adjustment of Reports by Agencies

Treasury provides preclosing unexpended balances through the FACTS II application. BRD requests that agencies log on to FACTS II and verify their Treasury Appropriation Fund Symbols (TAFS) accounts. Agencies should call BRD for assistance if they:

- Have not received all of their accounts;
- Have received accounts not belonging to them;

OR

- Have balance discrepancies.

See Appendix 3 for the proof formula for individual line items of unexpended balances for appropriations and funds.

The preclosing unexpended balances provided through the FACTS II application agree with the ending balances shown on the GWA Account Statement for September. The preclosing balances cannot be changed in FACTS II. Agencies should verify reported data immediately to assure that appropriations of fund symbols and preclosing

unexpended balances presented in FACTS II agree. If the appropriation of fund symbols and preclosing unexpended balances do not agree, an agency should immediately contact BRD and, with BRD's approval, should coordinate the necessary resolution. Also, if an agency detects a reporting error after submitting the report, it should contact FMS for assistance.

If an agency discovers discrepancies when reviewing yearend balances in FACTS II, it should contact BRD to request adjustments. BRD instructs agencies to submit paper copies of adjustments affecting the following reports:

- FMS 224: Statement of Transactions (Classified According to Appropriation, Fund and Receipt Account; and Related Control Totals);
- FMS 1219/1220: Statement of Accountability and Transactions;
- SF 1218/1221: Statement of Accountability and Transactions (Foreign Service Account).

For adjustments affecting FMS 1151: Nonexpenditure Transfer Authorization, BRD instructs agencies to submit their adjusted transactions through the GWA System Authority Transaction Module (ATM).

Agencies should retain copies of all adjusted transactions reported for FMS 224, FMS 1219/1220, SF 1218/1221, and FMS 1151 reports.

BRD reserves the right to review and determine if it will accept adjustments based on established criteria. If BRD accepts and approves the proposed adjustment, the adjustment is subsequently released to the STAR System, which then updates preclosing balances immediately. BRD accepts requests for adjustments for inclusion in the publication of the *Combined Statement of Receipts, Outlays, and Balances of the United States Government* (see the Yearend Closing bulletin for specific timeframes). Once the adjustments have been processed, BRD notifies agencies that they may proceed to complete and submit their

FACTS II data. In early December, agencies can access their final September data through the GWA Account Statement Application.

#### Note

- After TAFS data are complete and pass all edits, change the status of each TAFS to pending for certification.
- Agencies having TAFS with a zero undisbursed balance also must submit an FMS 2108 via FACTS II.

### 4250.40—Certification of Reports

For fourth-quarter (yearend) FACTS II submission, Treasury requires certification by the agency's Chief Financial Officer (CFO), or authorized designee, for all accounts, including those with a zero balance. The FMS Enterprise Security Branch assigns SecurID cards to the certifying official. This SecurID card, with the unique logon ID and password, functions as, or replaces, the signature. If the person representing the certifying official has changed, the new designee must obtain a new SecurID card, logon ID, and password. Treasury does not require that agencies certify FACTS II submissions for the first, second, or third quarter.

The certification reads as follows:

"Pursuant to the authority vested in me, I transmitted to the Financial Management Service of the Department of the Treasury, by electronic means, my certification that the obligation balances in each appropriation account of the agency reflect proper existing obligations, and that expenditures from the account since the preceding review were supported by a proper obligation of funds and otherwise meet the criteria of 31 U.S.C. 1501(A). In doing so, I submit my electronic certification."

Agencies must maintain an up-to-date contact profile in FACTS II.

### 4250.50—Submission of Reports

FMS requires that agencies report annually according to the schedule of reporting dates furnished in the annual Yearend Closing bulletin. It is essential that agencies meet the scheduled dates so that BRD can submit the *Combined Statement of Receipts, Outlays, and Balances of the United States Government* to the FMS Commissioner and OMB within the deadlines supported by law. If agencies can bring their records into agreement earlier than the final submission date, they should report through FACTS II at that time. FMS requests agency cooperation in coordinating processing of data between budget and accounting staffs to ensure timely and accurate submissions of related data to FMS and OMB. Timely submission of data permits FMS and OMB to schedule the preparation and reconciliation of material needed for their respective annual publications.

---

### Section 4255—Accessing FACTS II

Any user requesting access to FACTS II must submit a GOALS II ESAAS request form to obtain a SecurID card, logon ID, and password. Users can download the ESAAS request form from the GOALS II Web site at <http://www.fms.treas.gov/goals>. On the ESAAS request form, select a FACTS II role. The FACTS II roles include:

- Preparers—Input FACTS II data, ensure the data passes edits, and change data status;

- Certifiers—Reject or approve data and certify the fourth-quarter submission, only;

AND

- Headquarters reviewers—View the data of all TAFS within a department.

BRD establishes FACTS II role assignments. It assigns TAFS to preparers and preparers to certifiers and headquarters reviewers.

Agencies fax the completed ESAAS request form to the Cash Accounting Division (see the Contacts page). Processing the access request form and mailing the card require significant leadtime; therefore, request a SecurID card, logon ID, and password for all users as soon as possible. Contact BRD for further questions or followup (see the Contacts page).

Users requesting to switch FACTS II roles contact BRD for approval and submit an ESAAS request form for processing. Users transferring to a different agency notify BRD and submit an ESAAS request form to update their SecurID card and ID profile.

If a user misplaces or forgets the logon ID or password, he or she should contact the FMS Help Desk to request resetting of the ID or password (see the Contacts page). Report lost or stolen SecurID cards to the Data Access Control Division (see the Contacts page) and complete an ESAAS request form for revocation of the lost card and reissue of a replacement card.

To return any SecurID card or revoke FACTS II access, send the card

with a letter from management requesting revocation of the access to the Data Access Control Division (see the Contacts page).

---

### Section 4260—Instructions for Reporting Yearend Closing Data via FACTS II

For specific guidance on reporting via FACTS II, see the FACTS II Web site at <http://www.fms.treas.gov/factsii>. For assistance in logging on and navigating through the FACTS II application, click on the link to the FACTS II Client Online User's Guide or FACTS II Client Bulk Program.

For crosswalks to standard external reports (FMS 2108 and SF 133), refer to the USSGL TFM, Section V. USSGL TFM, Section IV, provides the most recent list of USSGL attributes used on the budgetary reports. See the USSGL Web site at <http://www.fms.treas.gov/ussgl>.

Refer dial-up and logon questions to the FMS Help Desk (see the Contacts page). Refer questions on the FACTS II application, such as edit checks and TAFS, to BRD (see the Contacts page).

Maintain up-to-date information on the FACTS II Contact Information profile, such as telephone numbers and e-mail addresses. Access the Contact Information dialogue box through the FACTS II online application under the File menu of the toolbar.

## **Contacts**

### ***Direct inquiries concerning this chapter to:***

Budget Reports Division  
Financial and Budget Reports Directorate  
Governmentwide Accounting  
Financial Management Service  
Department of the Treasury  
3700 East-West Highway, Room 518D  
Hyattsville, MD 20782  
Telephone: 202-874-9890

### ***Submit requests to issue a warrant to close a no-year (X) account in writing to:***

Budget Control Team  
Budget Reports Division  
Financial and Budget Reports Directorate  
Governmentwide Accounting  
Financial Management Service  
3700 East-West Highway, Room 518D  
Hyattsville, MD 20782  
Telephone: 202-874-9950

### ***To submit requests for FACTS II access or changes, send the ESAAS request form to:***

Cash Accounting Division  
Cash Accounting and Reporting Directorate  
Governmentwide Accounting  
Financial Management Service  
3700 East-West Highway, Room 500E  
Hyattsville, MD 20782  
Telephone: 202-874-8270  
Fax: 202-874-6170

### ***To request resetting of the FACTS II ID or password, contact the FMS Help Desk at 202-874-4357.***

***To return any SecurID card or revoke FACTS II access, send the card with a letter from management requesting revocation of the access to:***

Data Access Control Division  
IT Security Operations Directorate  
Information Resources  
Financial Management Service  
3700 East-West Highway, Room 269  
Hyattsville, MD 20782  
Telephone: 202-874-4357

**Appendices Listing**

<b>App. No.</b>	<b>Form</b>	<b>Title</b>
1	FMS 2108	Sample FACTS II Generated FMS 2108s
2		USSGL Guide to Cancellations
3	FMS 2108	Proof Formula for Individual Line Items

**Year-End Closing Statement**  
**Department of the Treasury Financial Management Service**

**Quarter: 4****Year: 2004****FMS Form 2108**

8/18/2005

TREASURY TRIAL BALANCE		BORROW/ CONTRACT AUTHORITY	Unobligated and Obligated Bal. Withdrawn/ Canceled (4)	FUND RESOURCES				STATUS OF RESOURCES		
Appropriation or Fund Symbol (1)	Preclosing Unexpended Bal. (2) (Code 00)			Increases and Rescissions (3)	Postclosing Unexpended Bal. (5)	Other Authorizations (6)	Reimbursements Earned and Refunds (7) (Code 77)	Unfilled Customer Orders (8) (Code 78)	Undelivered Orders and Contracts (9) (Code 49)	Accounts Payable and Other Liabilities (10) (Code 40)
20 X 0117 000 000 0										
Reported On 11/8/2004 12:51:20	12,003,123.86			12,003,123.86				7,000,000.00		5,003,123.86
Sub Total:	12,003,123.86	0.00	0.00	12,003,123.86	0.00	0.00	0.00	7,000,000.00	0.00	5,003,123.86
Total Dept:	12,003,123.86	0.00	0.00	12,003,123.86	0.00	0.00	0.00	7,000,000.00	0.00	5,003,123.86

## REGULAR FMS 2108

**Certifier Info :**

Pursuant to authority vested in me, I transmitted to the Financial Management Service of the Department of the Treasury, by electronic means, my certification that the obligation balances in each appropriation account of the agency reflect proper existing obligations and that expenditures from the account since the preceding review were supported by a proper obligation of funds and otherwise meet the criteria of 31 USC 1501(A). In doing so I submit my electronic certification.

**Year-End Closing Statement**  
**Department of the Treasury Financial Management Service**

Quarter: 3Year: 2005

FMS Form 2108

8/18/2005

TREASURY TRIAL BALANCE		BORROW/ CONTRACT AUTHORITY	Unobligated and Obligated Bal. Withdrawn/ Canceled (4)	FUND RESOURCES				STATUS OF RESOURCES		
Appropriation or Fund Symbol (1)	Preclosing Unexpended Bal. (2) (Code 00)	Increases and Rescissions (3)		Postclosing Unexpended Bal. (5)	Other Authorizations (6)	Reimbursements Earned and Refunds (7) (Code 77)	Unfilled Customer Orders (8) (Code 78)	Undelivered Orders and Contracts (9) (Code 49)	Accounts Payable and Other Liabilities (10) (Code 40)	Unobligated Balance (11) (Code 41)
20 X 4088 000 000 0										
Certified 7/20/2005 16:29:52	2,135,156.71			2,135,156.71		2,441,282.32		7,067,648.00	1,512,530.11	4,210,676.41
20 X 4088 000 000 0 951										
Certified 7/20/2005 16:29:52	5,375,292.00	2,868,072.00	2,217,345.00		6,026,019.00					
Sub Total:	7,510,448.71	2,868,072.00	2,217,345.00	2,135,156.71	6,026,019.00	2,441,282.32	0.00	7,067,648.00	1,512,530.11	4,210,676.41
Total Dept:	7,510,448.71	2,868,072.00	2,217,345.00	2,135,156.71	6,026,019.00	2,441,282.32	0.00	7,067,648.00	1,512,530.11	4,210,676.41

## BORROWING AUTHORITY (INDEFINITE)

Certifier Info :

Pursuant to authority vested in me, I transmitted to the Financial Management Service of the Department of the Treasury, by electronic means, my certification that the obligation balances in each appropriation account of the agency reflect proper existing obligations and that expenditures from the account since the preceding review were supported by a proper obligation of funds and otherwise meet the criteria of 31 USC 1501(A). In doing so I submit my electronic certification.

Page 1 of 1

**Year-End Closing Statement**  
**Department of the Treasury Financial Management Service**

Quarter: 4Year: 2004

FMS Form 2108

8/18/2005

TREASURY TRIAL BALANCE		BORROW/ CONTRACT AUTHORITY	Unobligated and Obligated Bal. Withdrawn/ Canceled (4)	FUND RESOURCES				STATUS OF RESOURCES		
Appropriation or Fund Symbol (1)	Preclosing Unexpended Bal. (2) (Code 00)	Increases and Rescissions (3)		Postclosing Unexpended Bal. (5)	Other Authorizations (6)	RECEIVABLES		UNPAID OBLIGATIONS		Unobligated Balance (11) (Code 41)
						Reimbursements Earned and Refunds (7) (Code 77)	Unfilled Customer Orders (8) (Code 78)	Undelivered Orders and Contracts (9) (Code 49)	Accounts Payable and Other Liabilities (10) (Code 40)	
<b>20 X 5697 000 000 0</b>										
Reported On 11/4/2004 09:17:36	146,526,809.91			146,526,809.91				89,449,940.32	86,932,644.99	95,778,290.32
<b>20 X 5697 000 000 0 911</b>										
Reported On 11/4/2004 09:17:36	-185,934.28				-185,934.28					
<b>20 X 5697 000 000 0 971</b>										
Reported On 11/4/2004 09:17:36	125,820,000.00				125,820,000.00					
<b>Sub Total:</b>	272,160,875.63	0.00	0.00	146,526,809.91	125,634,065.72	0.00	0.00	89,449,940.32	86,932,644.99	95,778,290.32
<b>Total Dept:</b>	272,160,875.63	0.00	0.00	146,526,809.91	125,634,065.72	0.00	0.00	89,449,940.32	86,932,644.99	95,778,290.32

## INVESTMENT/DISCOUNT (UNREALIZED)

Certifier Info :

Pursuant to authority vested in me, I transmitted to the Financial Management Service of the Department of the Treasury, by electronic means, my certification that the obligation balances in each appropriation account of the agency reflect proper existing obligations and that expenditures from the account since the preceding review were supported by a proper obligation of funds and otherwise meet the criteria of 31 USC 1501(A). In doing so I submit my electronic certification.



**Year-End Closing Statement**  
**Department of the Treasury Financial Management Service**

**Quarter: 4****Year: 2004**FMS Form 2108  
8/18/2005

TREASURY TRIAL BALANCE		BORROW/ CONTRACT AUTHORITY	Unobligated and Obligated Bal. Withdrawn/ Canceled (4)	FUND RESOURCES				STATUS OF RESOURCES		
Appropriation or Fund Symbol (1)	Preclosing Unexpended Bal. (2) (Code 00)	Increases and Rescissions (3)		Postclosing Unexpended Bal. (5)	Other Authorizations (6)	Reimbursements Earned and Refunds (7) (Code 77)	Unfilled Customer Orders (8) (Code 78)	Unpaid Orders and Contracts (9) (Code 49)	Accounts Payable and Other Liabilities (10) (Code 40)	Unobligated Balance (11) (Code 41)
<b>86 X 4058 000 000 0</b>										
Reported On 11/1/2004 14:21:21	28,152,924.05			28,152,924.05				55,095,772.34		
<b>86 X 4058 000 000 0 941</b>										
Reported On 11/1/2004 14:21:21	36,942,848.29		-10,000,000.00		26,942,848.29					
			< 1 and 2>	< 3 and 4>	< 5 and 6>					
<b>Sub Total:</b>	65,095,772.34	0.00	-10,000,000.00	28,152,924.05	26,942,848.29	0.00	0.00	55,095,772.34	0.00	0.00
<b>Total Dept:</b>	65,095,772.34	0.00	-10,000,000.00	28,152,924.05	26,942,848.29	0.00	0.00	55,095,772.34	0.00	0.00

## CONTRACT AUTHORITY (DEFINITE OR INDEFINITE)

**Certifier Info :**

Pursuant to authority vested in me, I transmitted to the Financial Management Service of the Department of the Treasury, by electronic means, my certification that the obligation balances in each appropriation account of the agency reflect proper existing obligations and that expenditures from the account since the preceding review were supported by a proper obligation of funds and otherwise meet the criteria of 31 USC 1501(A). In doing so I submit my electronic certification.

Year-End Closing Statement  
Department of the Treasury Financial Management Service

Quarter: 4

Year: 2004

FMS Form 2108

8/18/2005

# Footnote

- 1 X 4135 TREASURY WARRANT NUMBER WT096710 - PURSUANT TO PUBLIC LAW 98-371.
- 2 X 4135 TREASURY WARRANT NUMBER WT096710 - PURSUANT TO PUBLIC LAW 98-371.
- 3 X 4135 TREASURY WARRANT NUMBER WT096710 - PURSUANT TO PUBLIC LAW 98-371.
- 4 X 4135 TREASURY WARRANT NUMBER WT096710 - PURSUANT TO PUBLIC LAW 98-371.
- 5 X 4135 TREASURY WARRANT NUMBER WT096710 - PURSUANT TO PUBLIC LAW 98-371.
- 6 X 4135 TREASURY WARRANT NUMBER WT096710 - PURSUANT TO PUBLIC LAW 98-371.

Certifier Info :


Page 2 of 2

Pursuant to authority vested in me, I transmitted to the Financial Management Service of the Department of the Treasury, by electronic means, my certification that the obligation balances in each appropriation account of the agency reflect proper existing obligations and that expenditures from the account since the preceding review were supported by a proper obligation of funds and otherwise meet the criteria of 31 USC 1501(A). In doing so I submit my electronic certification.



## USSGL Guide to Cancellations

### Overview




#### Agency Question:

-  I have an upcoming cancellation that will need to be recorded on the books. What is the proper USSGL accounting treatment?

#### USSGL Response:

-  It is dependent upon many factors, including the following:
  - To what type of Treasury Appropriation Fund Symbol (TAFS) does this apply (general fund, special fund)?
  - What event is causing this situation (end of 5<sup>th</sup> year cancellation, partial cancellation)?
  - What is the period of availability of the TAFS (fiscal year, X-year)?
  - Is this TAFS flagged by Treasury as definite or indefinite?
  - Where is the canceled fund balance to be returned?
  - By what Treasury mechanism is the processing of the cancellation to be accomplished (via warrant, via FMS 2108)?
-  The answers to those questions, along with specific Treasury and OMB reporting guidance, will determine, in most cases, the proper budgetary USSGL account that is applicable.

### References

-  TFM Volume 1, Yearend Closing Bulletin (as updated)
-  TFM Volume 1, Part 2, Chapter 2000: Warrant and Nonexpenditure Transfer (NET) Transactions (T/L 621)
-  OMB Circular No. A-11 (2005), Section 20 (as updated)

Note: Situation Nos. 1-5 typically apply to cancellations of general fund resources, where the fund balance is returned to the General Fund of the Treasury.

	Situation	Period of Availability <sup>1</sup>	TAFS Status	USSGL Account	Definite/ Indefinite	Treasury Mechanism	STAR TC	FMS 2108 Column	TCS <sup>2</sup> Column	SF 133 Line	P&F Line(s)	Notes
1	End of 5 <sup>th</sup> expired year cancellation	FY	Expired	4350	Definite	2108	TC 31	Col. 4	Col. 5	6A	N/A	P&F is not applicable because the TAFS has expired and goes back to the General Fund of the Treasury.
2	End of 5 <sup>th</sup> expired year cancellation	FY	Expired	4350 (see notes)	Indefinite (see notes)	2108	TC 31	Col. 4	Col. 5	6A	N/A	Use USSGL account 4391 to adjust the indefinite authority on FMS 2108, then, at the end of the 5 <sup>th</sup> expired year, use USSGL account 4350 to cancel. (Treasury will remove the "I" flag during the 5 expired years.)
3	Partial Cancellation <sup>3</sup>	X-year	Unexpired	4350	Definite	Warrant	TC 31	n/a	Col. 5	6A	2398	- FACTS II excludes USSGL account 4350 for an X-year. - Requires new USSGL account 8101/8102.
4	Early Cancellation of the Entire Appropriation <sup>4</sup>	X-year, FY <sup>5</sup>	Unexpired/ Expired	4350	Definite	Warrant	TC 31	n/a	Col. 5	6A	2398 (unexpired only)	- Must equal the warrant per the TFM Yearend Closing Bulletin. - For 4 <sup>th</sup> quarter FACTS II reporting, notify BRD/Facts II Team if a TAFS has been canceled early.
5	Early Cancellation of the Entire Appropriation <sup>4</sup>	X-year, FY <sup>5</sup>	Unexpired/ Expired	4350	Indefinite	Warrant	TC 31	n/a	Col. 5	6A	2398 (unexpired only)	- Must equal the warrant per the TFM Yearend Closing Bulletin. - For 4 <sup>th</sup> quarter FACTS II reporting, notify BRD/Facts II Team if a TAFS has been canceled early.

<sup>1</sup> FY = Fiscal year (includes annual year and multiyear); X-year equals no-year.

<sup>2</sup> TCS = Treasury Combined Statement.

<sup>3</sup> Partial cancellations are not common. The agency would need legislation or a letter stating the need and request for cancellation and must receive Treasury and OMB concurrence before requesting a warrant. Once processed, the funds are unavailable for restoration.

<sup>4</sup> Early cancellations of entire appropriations are rare. Once processed, the funds are unavailable for restoration.

<sup>5</sup> Early cancellations within fiscal year accounts are rare. In these situations, it is preferred that the TAFS remain on the books until the end of the 5<sup>th</sup> expired year.

Note: Situation Nos. 6-9 apply to most cancellations of trust and special fund resources where the fund balance is either returned to the originating unavailable receipt account or to the originating invested Treasury Appropriation Fund Symbol (TAFS).

	Situation	Period of Availability	TAFS Status	USSGL Account	Definite/ Indefinite	Treasury Mechanism	STAR TC	FMS 2108 Column	TCS Column	SF 133 Line	P&F Line(s)	Notes
6	Trust and Special Funds - "Unavailable"	X-year, FY	Unexpired/ Expired	4355	n/a	Warrant	TC 30	n/a	Col. 5	6A	2398 (unexpired only), 2441	The TFM Yearend Closing Bulletin requires that the agency request a warrant.
7	Trust and Special Funds - "Available"	X-year, FY	Unexpired/ Expired	4350	n/a	2108	TC 31	Col. 4	Col. 5	6A	2398 (unexpired only), 2441	Very rare.
8	Available Trust or Special Funds with invested relationships	X-year, FY	Unexpired/ Expired	4356	n/a	SF 1151	n/a	n/a	n/a	6A	2398 (unexpired only), 2441	- For TAFS where the recipient must return fund balance back to the originating invested TAFS. - Treasury views as a return of fund balance rather than as a cancellation.
9	Available Trust or Special Funds with invested relationships that maintain receivables/payables	X-year, FY	Unexpired/ Expired	4357, 4123, 4124, 4384	n/a	n/a	n/a	n/a	Col. 11 (4357)	6A(4357)	2398 (unexpired only) and 2441 for 4257; Multiple for 4123, 4124, 4384	- For TAFS where the recipient maintains a receivable/payable relationship with the invested account. - Reverse the receivable.

Note: Situation Nos. 10-11 apply specifically to partial “adjustments” to indefinite accounts. These are treated as adjustments, not cancellations.

	<b>Situation</b>	<b>Period of Availability</b>	<b>TAFS Status</b>	<b>USSGL Account</b>	<b>Definite/ Indefinite</b>	<b>Treasury Mechanism</b>	<b>STAR TC</b>	<b>FMS 2108 Column</b>	<b>TCS Column</b>	<b>SF 133 Line</b>	<b>P&amp;F Line(s)</b>	<b>Notes</b>
10	Partial “Adjustment”	X-year, FY	Unexpired	4119 (if warrant)	Indefinite	Warrant	TC 10	n/a	Col. 2	3A	Multiple	Because the action is to an indefinite account, Treasury views it as an adjustment rather than as a cancellation. For quarters 1-3, the action is usually a warrant.
11	Partial “Adjustment”	X-year, FY	Unexpired	4391 (if no warrant)	Indefinite	2108	TC 10	Col. 4	Col. 2	6D	Multiple	Because the action is to an indefinite account, Treasury views it as an adjustment rather than as a cancellation. For quarter 4, the action is usually via FMS 2108.

**Proof Formula for Individual Line Items of Unexpended Balances  
for Appropriations and Funds**

**STEP I** Treasury Trial Balance and Withdrawals/Cancellations (Columns 2 and 4)

COLUMN

- |   |   |
|---|---|
| 2 | Preclosing unexpended balance (+)   |
| 3 | Applicable only for unfunded contract authority and borrowing authority (+) or (-) (see subsections 4225.25 and 4225.30 of the chapter) |
| 4 | Unobligated and obligated balance withdrawn/canceled (-)  |

Equals:

- |   |                                    |
|---|------------------------------------|
| 5 | Postclosing unexpended balance, or |
| 6 | Other authorization (+)            |

**STEP II**

Fund resources (columns 5 through 8)

COLUMN

- |   |                                    |
|---|------------------------------------|
| 5 | Postclosing unexpended balance, or |
| 6 | Other authorizations (+)           |
| 7 | Reimbursements earned (+)          |
| 8 | Unfilled customer orders           |

Equals:

Fund equities (columns 9 through 11)

COLUMN

- |    |  |
|----|--|
| 9  | Undelivered orders (+)   |
| 10 | Accounts payable and other liabilities (+)                                   |
| 11 | Unobligated balance (or excess of receivables over gross unpaid obligations) |

**Proof Formula for Individual Line Items for Indefinite and Definite Borrowing Authority**

## COLUMN

- |   |  |
|---|--|
| 2 | Balance of borrowing authority at the beginning of the fiscal year (+)                       |
| 3 | Increases in borrowing authority (indefinite and definite) (+) or rescissions (definite) (-) |
| 4 | Borrowings (-)   |
| 5 | Adjustments (indefinite) (-)   |

## Equals:

- |      |  |
|------|--|
| 6    | Balance of borrowing authority, which is the amount equal to those unpaid obligations covered by borrowing authority at the end of the fiscal year (indefinite) or balance of unused borrowing authority provided by law at the end of the fiscal year (definite). |
| 7-11 | Columns 7 through 11, representing receivables, unpaid obligations, and the unobligated balance, are no longer shown separately against the authority account.   |



**Proof Formula for Individual Line Items for Unfunded Contract Authority**

## COLUMN

- |   |  |
|---|--|
| 2 | Balance of unfunded contract authority at the beginning of the fiscal year (+)                               |
| 3 | New contract authority (definite) or new obligations incurred covered by contract authority (indefinite) (+) |
| 4 | Appropriations to liquidate (-)  |
| 5 | Writeoffs or adjustments (-)   |

## Equals:

- |      |   |
|------|---|
| 6    | Balance of unfunded contract authority at the end of the fiscal year. The balance of definite authority represents the amount of authority outstanding for which appropriations have not been made. Indefinite authority represents the balance of unpaid obligation for which appropriations have not been made. |
| 7-11 | Columns 7 through 11, representing receivables, unpaid obligations, and the unobligated balance, are no longer shown separately against the authority account.  |

## PART 2 - CENTRAL ACCOUNTING AND REPORTING

### Table of Contents

Chapter	Section	Title
<b>1000</b>		<b>INTRODUCTION</b>
	1010	Authority
	1015	Principles and Features of the System of Central Accounts
	1020	Standard and Prescribed Forms
		Contacts
<b>1500</b>		<b>DESCRIPTION OF ACCOUNTS RELATING TO FINANCIAL OPERATIONS</b>
	1510	Authority
	1515	Federal Account Symbols and Titles and Subclassified Accounts
	1520	Receipt, Appropriation (Expenditure), and Fund Account Descriptions
	1525	Receipt Account Classification
	1530	Expenditure Account Classification
	1535	Deposit Fund Accounts
		Contacts
<b>2000</b>		<b>WARRANT AND NONEXPENDITURE TRANSFER (NET) TRANSACTIONS</b>
	2010	Scope and Applicability
	2015	Authority
	2020	Definition of Terms
	2025	Warrant Transactions
	2030	NET Transactions Using the GWA System
	2035	Borrowings
		Contacts
		Appendices
		1. Form 6200: Department of the Treasury Appropriation Warrant Form 6201: Department of the Treasury Appropriation Warrant (Continuation Sheet)
		2. Form 6202: Department of the Treasury Surplus Warrant Form 6203: Department of the Treasury Surplus Warrant (Continuation Sheet)
		3. GWA System NET Application Guide
<b>2500</b>		<b>EXPENDITURE TRANSACTIONS BETWEEN APPROPRIATION, FUND, AND RECEIPT ACCOUNTS</b>
	2510	Introduction
	2515	Types of Expenditure Transactions Addressed in This Chapter
	2520	Payments to General Services Administration (GSA)
	2525	Expenditure Transactions Not Requiring Payment by Check
	2530	Expenditure Transactions Requiring Payment by Check
	2535	SF 1081: Certification
		Contacts

Chapter	Section	Title
---------	---------	-------

		Appendices
--	--	------------

- |  |  |  |
|--|--|--|
|  |  | <ol style="list-style-type: none"> <li>1. GSA Form 789: Statement, Voucher and Schedule of Withdrawals and Credits<br/>Optional Form 1017-G: Journal Voucher<br/>SF 1080: Voucher for Transfers Between Appropriations and/or Funds<br/>SF 1080-EDP: Print Layout (SF 1080-EDP)<br/>Print Format Requirements (SF 1080 and SF 1081)<br/>SF 1081: Voucher and Schedule of Withdrawals and Credits<br/>SF 1081-EDP: Print Layout (SF 1081-EDP)</li> <li>2. FMS Form 5908: Journal Voucher Batch Transmittal</li> </ol> |
|--|--|--|

3100		
------	--	--

		<b>INSTRUCTIONS FOR DISBURSING OFFICERS' REPORTS</b>
--	--	--

3110	Scope
3115	Authority
3120	Accounting Forms Used by Disbursing Officers and Agencies
3125	General Information on Central Accounting Reports
3130	Use of Accounting Forms (SFs 1218 and 1221 and FMS Form 1219 and 1220)
3135	Use and Assignment of the 3- and 4-Digit Agency Location Code (ALC)
3140	Preparing and Submitting SF 1218 and SF 1221
3145	Preparing and Submitting FMS Form 1219 and FMS Form 1220
3150	Classification of Special Transactions Reported on FMS Form 1220
3155	Supplemental Reporting on FMS Forms 1219 and 1220
3160	Reporting for Accounting Periods When No Transactions Occur
3165	Submitting Final Accountability Reports
3170	Fiscal Yearend Reporting and Cutoff Schedule of Reporting Deadlines
3175	Integrating Accounting Results
3180	Deposits in Transit System
3185	Undistributed Audit
3190	Statement of Differences
	Contacts

	Appendices
--	------------

- |  |  |
|--|--|
|  | <ol style="list-style-type: none"> <li>1. SF 1218: Statement of Accountability (Foreign Service Account) and Instructions</li> <li>2. SF 1221: Statement of Transactions According to Appropriations, Funds, and Receipt Accounts (Foreign Service Account) and Instructions</li> <li>3. FMS 1219: Statement of Accountability and Instructions</li> <li>4. FMS 1220: Statement of Transactions According to Appropriations, Funds, and Receipt Accounts and Instructions</li> <li>5. FMS 6601: Advice Regarding Agency Location Codes (3, 4 or 8 Digits) and Instructions</li> <li>6. Listing of Subclasses and Titles</li> <li>7. FMS 6652: Statement of Differences of Deposit Transactions (as generated by GOALS)</li> <li>8. Agency Detail Transactions--Deposit Tickets/Debit Vouchers (on microfiche)</li> <li>9. FMS 6652: Statement of Differences of Disbursing Office Transactions (as generated by GOALS)</li> <li>10. Monthly Register of OPAC Transactions by D.O. Symbol (as generated by GOALS)</li> <li>11. FMS 5901: Adjustment of Agency Deposits/Debit Vouchers (as generated by GOALS)</li> <li>12. FMS 5901: Adjustment of Agency Undistributed Differences (FMS 5901 as generated by GOALS)</li> </ol> |
|--|--|

Chapter	Section	Title
<b>3200</b>		<b>FOREIGN CURRENCY ACCOUNTING AND REPORTING</b>
	3210	Authority
	3215	Definitions
	3220	Reporting Requirements
	3225	Administration of Foreign Exchange
	3230	Translating Foreign Currencies To U.S. Dollar Equivalents
	3235	Foreign Currency Abbreviations and Conversions
	3240	Foreign Currency Fund Account Symbols and Titles
	3245	Nature, and Purpose of Foreign Currency Fund Accounts
	3250	Preparation and Distribution of FS Form 488 and DD Form 1363
		Contacts
		Appendices
		1. Report of Estimated Foreign Currency Collections and Expenditures Explanation of Items to be Reported on "Report of Estimated Foreign Currency Collections and Expenditures"
		2. Annual Report on Unfunded Foreign Currency Reservation Accounts Explanation of Items to be Reported on "Annual Report on Unfunded Currency Reservation Accounts"
		3. FMS Form 6911: Foreign Currency Conversion and Transfer Voucher FS Form 488: Foreign Currency Statement of Transactions and Account Current DD Form 1363: Statement of Transactions and Accountability (FT Accounts)
<b>3300</b>		<b>REPORTS OF AGENCIES FOR WHICH THE TREASURY DISBURSES (FMS FORM 224)</b>
	3310	Scope and Applicability
	3315	Authority
	3320	Use and Assignment of 8-Digit Agency Location Codes (ALCs)
	3325	Monthly Reporting Requirements
	3330	Preparation of FMS Form 224
	3335	Distribution of FMS Form 224
	3340	Correction of Errors in FMS Form 224
	3345	Fiscal Yearend Reporting and Cutoff
	3350	Verification or Reconciliation of Disbursements
	3355	Integration of Accounting Results
	3360	Deposits-in-Transit System
		Contacts
		Appendices
		1. FMS Form 224: Statement of Transactions Explanation of Items to be Reported on FMS Form 224: Statement of Transactions FMS Form 224: Statement of Transactions (Imprest Fund Reporting) Explanation of Imprest Fund Reporting, Subclass (41) FMS Form 6601: Advice Regarding Agency Location Codes (3, 4, or 8 digits) Instructions for Preparation of the Request for FMS Form 6601 FMS Form 6652: Statement of Differences Disbursing Office Transactions Explanation of Disbursing Statement of Differences FMS Form 5901-C: Adjustment of Agency Undistributed Differences

Chapter	Section	Title
		<ul style="list-style-type: none"> <li>2. FMS Form 6652: Statement of Differences Deposit Transactions <ul style="list-style-type: none"> <li>Explanation of Deposit Statement of Differences</li> <li>Monthly Deposit Ticket/Debit Voucher Support List</li> <li>Explanation of Deposit Ticket/Debit Voucher Support List</li> <li>FMS Form 5901: Adjustment of Agency Deposits/Debit Vouchers</li> </ul> </li> <li>3. Contact List for Banking Management Division <ul style="list-style-type: none"> <li>Contact List for Deposit-in-Transit Reconciliation (Federal Reserve Banks and Branches)</li> </ul> </li> </ul>
<b>3400</b>		<b>ACCOUNTING FOR AND REPORTING ON CASH AND INVESTMENTS HELD OUTSIDE OF THE U.S. TREASURY</b>
	3410	Background
	3415	Authority
	3420	Definition of Terms
	3425	Description of Cash and Investments Held Outside of the U.S. Treasury Categories
	3430	Treasury's Policies on Agencies' Requirements
	3435	Agencies' Reporting Responsibilities and Requirements
	3440	Reconciling Cash and Investments Held Outside of the U.S. Treasury
	3445	Preparing and Submitting Prescribed Forms and Reports
		Contacts
		Appendices
		<ul style="list-style-type: none"> <li>1. Subclass Descriptions, Cash and Investments Held Outside of the U.S. Treasury</li> <li>2. Cash and Investments Held Outside of the U.S. Treasury Transaction Guide— Statements of Transactions/Accountability Reporting</li> </ul>
<b>3500</b>		<b>DAILY TRANSMITTAL FOR INTERNAL REVENUE SERVICE</b>
	3510	Authority
	3515	Background and Concepts
	3520	Reporting Requirements
	3525	Federal Tax Deposit Transmittal Format
		Contacts
		Appendix
		<ul style="list-style-type: none"> <li>1. Sample IRS Federal Tax Deposit Transmittal IRS Transmittal Line Item Descriptions</li> </ul>
<b>3900</b>		<b>INTEGRATION OF ACCOUNTING RESULTS</b>
	3910	Authority
	3915	Monthly Integration of Agency - Financial Management Service Data
	3920	Verification of Check Data
	3925	Verification of Deposit Data
		Contacts

**Chapter****Section****Title**

## Appendices

1. FMS Form 6652: Statement of Differences
  - Disbursing Office Transactions
  - FRB Letter of Credit Transactions
  - Deposit Transactions
  - FMS Form 6653: Undisbursed Appropriation Account Ledger
  - FMS Form 6654: Undisbursed Appropriation Accounts - Trial Balance
  - FMS Form 6655: Receipt Account Ledger
  - Receipt Account Trial Balance
  - Report of Unavailable Receipt Transactions
  - Unappropriated Receipt Account Ledger
  - Unappropriated Receipt Account Trial Balance

**4100****DEBT MANAGEMENT REPORTS**

- 4110 Scope and Applicability
- 4115 Authority
- 4120 Reporting Requirements
- Contacts

**4200**
**AGENCY REPORTING ON UNEXPENDED BALANCES  
OF APPROPRIATIONS AND FUNDS (FEDERAL AGENCIES'  
CENTRALIZED TRIAL-BALANCE SYSTEM II, FMS 2108: YEAR-END  
CLOSING STATEMENT)**

- 4210 Scope and Applicability
- 4215 Authority
- 4220 Definition of Terms
- 4225 Explanation of Items Presented on the FACTS II Generated FMS 2108 and Reporting Requirements
- 4230 Reporting Requirements for Extended Authority To Liquidate Obligations
- 4235 Cashier Fund Balances, Negative Balance Accounts, and Unamortized Premiums and Discounts
- 4240 Investments in Treasury Securities or Agency Securities and Unrealized Discount
- 4245 Closed Accounts
- 4250 Reporting Requirements
- 4255 Accessing FACTS II
- 4260 Instructions for Reporting Yearend Closing Data Via FACTS II
- Contacts

## Appendices

1. Sample FACTS II Generated FMS 2108s
2. USSGL Guide to Cancellations
3. FMS 2108 Proof Formula for Individual Line Items

<b>Chapter</b>	<b>Section</b>	<b>Title</b>
<b>4300</b>		<b>REPORTING INSTRUCTIONS FOR ACCOUNTS INVESTED IN DEPARTMENT OF THE TREASURY SECURITIES</b>
	4310	Scope and Applicability
	4315	Authority
	4320	Definitions
	4325	Availability of Funds
	4330	Types of Securities
	4335	Reporting Requirements
		Contacts
		Appendices
		1. Revolving, Trust Revolving, and Deposit Funds
		2. Special and Trust Funds
<b>4500</b>		<b>GRANTS, LOANS, CREDITS, AND CONTINGENT LIABILITIES INVOLVING FOREIGNERS</b>
	4510	Authority
	4515	Scope and Applicability
	4520	Definitions
	4525	Quarterly Reports
	4530	Entering Data
	4535	FCRS Edits
	4540	Filenames
		Contacts
		Appendices
		1. Data Formats and Instructions
		2. Federal Information Processing Standards (FIPS) Country Codes
		3. Program Codes
		4. Purpose Codes
<b>4600</b>		<b>TREASURY REPORTING INSTRUCTIONS FOR CREDIT REFORM LEGISLATION</b>
	4610	Authority
	4615	Definition of Terms
	4620	Credit Account Symbols
	4625	Accounts With Subclass Codes
	4630	Interest Rates
	4635	Borrowings From Treasury
	4640	Interest on Uninvested Funds
	4645	Appropriations
	4650	Credit Account Transactions and Reporting Procedures
		Contacts
		Appendices
		1. SF 224: Statement of Transactions - Program Account
		2. SF 224: Statement of Transactions - Financing Account - Direct Loans
		3. SF 224: Statement of Transactions - Financing Account - Guaranteed Loans

<b>Chapter</b>	<b>Section</b>	<b>Title</b>
<b>4700</b>		<b>AGENCY REPORTING REQUIREMENTS FOR THE FINANCIAL REPORT OF THE UNITED STATES GOVERNMENT</b>
	4701	Scope and Applicability
	4702	Authority
	4703	Definition of Terms
	4704	FR Processing Key Dates
	4705	Closing Package Requirements
	4706	Intragovernmental Requirements
	4707	FACTS I Requirements
		Contacts
		Appendices
		<ol style="list-style-type: none"> <li>1. Reclassified Financial Statements and Line Item Descriptions</li> <li>2. Financial Statement Reclassifications</li> <li>3. Financial Report Notes and Instructions</li> <li>4. Other Data and Instructions</li> <li>5. Federal Trading Partner Department Codes for GFRS and FACTS I</li> <li>6. Reciprocal Categories Crosswalk to Financial Statements</li> <li>7. Federal Intragovernmental Transactions Categories of Reciprocal U.S. Government Standard General Ledger Proprietary Accounts</li> <li>8. CFO Representation Template</li> <li>9. Budget Subfunction (BSF) Codes</li> <li>10. Quarterly IRAS "F" Data File Submission - Description and Formats</li> <li>11. Fiscal 2006 U.S. Government Standard General Ledger Chart of Accounts</li> <li>12. Fiscal 2006 IG Agreed-Upon Procedures Report for Federal Intragovernmental Activities and Balances</li> </ol>
<b>5000</b>		<b>ACCOUNTING AND REPORTING ON MONETARY ASSETS (NON OPERATING CASH ITEMS) HELD BY U.S. TREASURY OFFICES</b>
	5010	Authority
	5015	Background and Purpose
	5020	Definition of Terms
	5025	Reporting Entities
	5030	Prescribed Forms and Reports
	5035	Monetary Asset Account Symbols and Titles
	5040	Reporting Requirements
		Contacts
		Appendices
		<ol style="list-style-type: none"> <li>1. FMS Form 5693: Statement of Assets and Liabilities</li> <li>2. SF 224: Statement of Transactions</li> <li>3. SF 1220: Statement of Transactions</li> <li>4. SF 1219: Statement of Accountability</li> <li>5. Instructions for Preparing FMS 62</li> <li>6. SF 5515: Debit Voucher</li> <li>7. SF 215: Deposit Ticket</li> <li>8. FMS 2075: Outstanding Currency in Circulation by Classes and Denominations Held by the Office of Currency Standards</li> <li>9. TUS 4133: Monthly Report of Paper Currency on Hand</li> <li>10. Advice of Gold Transaction</li> </ol>



Chapter	Section	Title
5100		<b>RECONCILING FUND BALANCE WITH TREASURY ACCOUNTS</b>
	5110	Applicability
	5115	Authority
	5120	Definition of Terms
	5125	Background
	5130	Reconciliation of Agency SGL Fund Balances with Treasury Accounts
	5135	Treasury's Central Reconciliation Processes
	5140	Reconciling Small Differences for Deposits
	5145	Reconciling Budget Clearing Account (BCA) Differences
	5150	Available Reconciliation Tools
	5155	Agency Operating Procedures and Certifications
		Contacts
		Appendices
		1. Fund Balance with Treasury Reconciliation Contact List
		2. Common Problems and Solutions for Reconciling Fund Balance with Treasury Accounts